RHODE ISLAND COLLEGE

School of Social Work

Welfare Reform Evaluation Project

Rhode Island Family Independence Program
Longitudinal study working paper

A study of welfare reform and Rhode Island's beneficiaries

First year Follow-up Report
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EXECUTIVE SUMMARY

This longitudinal study of the Rhode Island Family Independence Program (FIP) examines the status of a representative sample of 638 persons who were in receipt of FIP at some time after May 1 1997, the date of implementation of the Rhode Island Family Independence Act. This report presents the findings from the first year follow-up interviews and case record reviews of 406 of the original 638 participants in the baseline sample (63.7% of the original sample). Information from case record reviews (without interview data) are included on an additional 196 study cases from the original sample (30.8%). Thirty-five cases (5.5%) were dropped from the study at the respondents' request. A detailed report on the findings at baseline is contained in the Rhode Island Family Independence Program Longitudinal Study Baseline Report (January 2001). The interviews for this first year follow-up study were conducted during the period of May 1999 through October 2000. This report focuses on how Rhode Island's FIP beneficiaries are faring in three broad areas of interest: family economic well being, employment status, and child and family well being. Nine different hypotheses are examined. There are two major comparisons examined:

- How respondents are faring at first year follow-up in comparison to their baseline measures; and
- How respondents who are not receiving FIP cash assistance at first year follow-up are faring in comparison to respondents who are receiving cash assistance at first year follow-up. A comparison is also made to data from other states as reported by The Urban Institute in the National survey of America's families (April 2001) and the Initial synthesis report of the findings from the ASPE's "Leavers" grants by Acs & Loprest (January 2001).

Major highlights of the study

⇒ Study participants made progress in exiting FIP.

⇒ Study participants experienced economic progress from baseline to first year follow-up.

⇒ Study participants made progress in their levels of employment from baseline to first year follow-up.

⇒ Those who have exited FIP (leavers)[1] are doing better overall than stayers[2].

[1] For purposes of this research, leavers are defined as respondents who were closed to FIP at the time of their 1st year follow-up interview. This definition includes participants who may have cycled on and off FIP during the year following the baseline data collection but who were not receiving FIP benefits at the point in time that they were interviewed for 1st year follow-up.

[2] Stayers are defined as respondents who were open to FIP at the time of their 1st year follow-up interview. This definition includes participants who may have cycled off and back on to FIP during the year following baseline but who were FIP beneficiaries at the point in time that they were interviewed for 1st year follow-up.

1. **Study participants made progress in exiting FIP.**

   All participants were receiving FIP cash benefits at baseline. This was a criterion for participation in the study. At first year follow-up, 34.5 percent of the respondents were closed to FIP cash assistance. This means that slightly more than one-third of the sample was no longer receiving FIP cash assistance at the time of their first year follow-up interview.

2. **Study participants experienced economic progress from baseline to first year follow-up.**

   - Average monthly household income had increased by $138.49 per month from baseline ($876.33) to first year follow-up ($1014.82).

   - There was a 9.2 percentage point increase from baseline to first year follow-up in the number of study participants who were above the Federal Poverty Level. Thirty-one participants (4.9 %) were above the FPL at baseline; 70 participants (14.1%) were above the FPL at first year follow-up. An additional 20 participants at first year follow-up are included in the above FPL group when the value of their food stamps is added to their household income.

   - Employed study participants were earning an average wage of $7.74 per hour at the time of their first year follow-up interview. Study participants who had completed FIP sponsored education or training earned wages ($8.48 per hr.) that were statistically significantly higher at first year follow-up than those who did not participate in a FIP sponsored education and training ($7.38 per hr.).

3. **Study participants made progress in their levels of employment from baseline to first year follow-up.**

   - Participation in employment had increased by 18.7 percentage points from baseline (21.9%) to first year follow-up (40.6%).

   - Employed respondents were working 8.58 more hours per week at first year follow-up (31.27 hrs.) than they were at baseline (22.69 hrs.).

   - At first year follow-up, participants were more satisfied with their financial situation than they were at baseline.

4. <u>Those who have exited FIP (leavers) are doing better overall than stayers.</u>

- FIP leavers were better off economically than stayers. They had statistically significant higher monthly household incomes and 46.3 percent of leavers were above the poverty level at first year follow-up in comparison to 7.8 percent of stayers.

- Leavers experienced a 57.5 percentage point increase in employment levels from baseline (28.6% employed) to first year follow-up (86.1%).

- Stayers experienced a 10.3 percentage point increase in employment levels from baseline (18.9% employed) to first year follow-up (29.2%).

- Employed leavers earned a higher average hourly wage ($8.40) than employed stayers ($7.01).

- Employed leavers had the highest average monthly household income ($1243.26 including the value of food stamps). Stayers who were not employed had the lowest average monthly household income ($896.98 including food stamps).

- Leavers were more likely than stayers to have participated in a FIP approved training or education program.

- Leavers were more satisfied than stayers with their children's overall quality of life. Ninety percent of all respondents were satisfied or very satisfied with their children's quality of life at first year follow-up.

- Stayers were more likely than leavers to report that their child had behavioral problems or school attendance problems.

- On four out of five USDA food security items, stayers reported higher levels of food insecurity than leavers.

- Leavers were more satisfied with their financial situation than stayers.

RESULTS

Introduction

The Rhode Island Family Independence Act (FIA), the state's welfare reform legislation, was enacted August 2 1996, just 20 days before former President Clinton signed federal welfare reform legislation. Among the principles that guided the policy choices that Rhode Island made in creating FIA was the tenet that "poor children should be no worse off than they were before welfare reform" (Rhode Island Department of Human Services, 2001, p. 2). The Rhode Island Family Independence Program (FIP) was designed to enhance income and family supports, as well as childcare and health care entitlements. In keeping with this philosophy, the Rhode Island College five-year longitudinal study focuses on how Rhode Island's FIP beneficiaries are faring under welfare reform and studies the changes each year in family economic well being and family and child well being. Several issues which impact on economic and family well being are included in this study such as: health, food security, transportation, housing, child care, children's academic and behavioral issues, respondents' views about their economic and family well being, and respondents' perceived barriers to participation in work, training or education. This analysis contributes insight into our understanding of welfare reform in Rhode Island in relationship to the overall goals of economic and family well being in our state.[1]

This report details the key findings at the time of the first year follow-up interviews and electronic case record reviews of the study participants. An earlier report describes the background of the Rhode Island Family Independence Program, the study population and sample, the study methodology and the baseline findings (Rhode Island College Welfare Reform Evaluation Project, January 2001). First year follow-up interviews and electronic case record reviews were conducted during the one and one-half year period of May 1999 through October 2000. It should be noted that the FIP caseload is not static and during the course of any given year FIP beneficiaries may cycle on and off cash assistance on one or more occasions. This study looks at a point in time at first year follow-up that is approximately one year from the time of the participants' baseline interview.

[1] A glossary of terms used in this report can be found in Appendix A.

This report focuses on the following hypotheses:

- Levels of income will be significantly higher at first year follow-up in comparison to baseline.

- Levels of income at first year follow-up will be significantly higher among those respondents who have closed to FIP (leavers)[2] in comparison to those respondents who remain on FIP (stayers)[3].

- Levels of employment at first year follow-up will be significantly higher among those respondents who have closed to FIP (leavers) in comparison to those respondents who remain on FIP (stayers).

- There will be a positive correlation between involvement in FIP sponsored education or training and level of post-education/training employment.

- There will be a correlation between barriers to involvement in work, training or education at baseline and actual involvement in work, training or education at follow-up.

- There will be correlation between transportation problems and level of involvement in work, training or education at follow-up.

- There will be correlation between housing problems and level of involvement in work, training or education at follow-up.

- Indicators of family and child well being at first year follow-up will be significantly higher among those respondents who have closed to FIP (leavers) in comparison to those respondents who remain on FIP (stayers).

- Levels of satisfaction at first year follow-up will be significantly higher among those respondents who have closed to FIP (leavers) in comparison to those respondents who remain on FIP (stayers).

[2] For purposes of this research, leavers are defined as respondents who were closed to FIP at the time of their 1st year follow-up interview. This definition includes participants who may have cycled on and off FIP during the year following the baseline data collection but who were not receiving FIP benefits at the point in time that they were interviewed for 1st year follow-up.

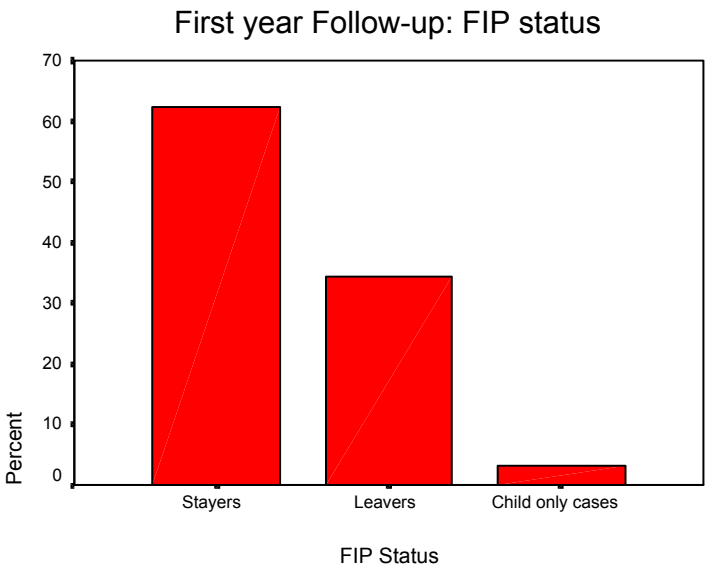
[3] Stayers are defined as respondents who were open to FIP at the time of their 1st year follow-up interview. This definition includes participants who may have cycled off and back on to FIP during the year following baseline but who were FIP beneficiaries at the point in time that they were interviewed for 1st year follow-up.

Overview of the sample at one year after baseline

A total of 638 Rhode Island families who were receiving FIP benefits at some time after May 1 1997 (the date of implementation of the Rhode Island Family Independence Act) are included in this longitudinal study about welfare reform and FIP beneficiaries in Rhode Island. Of these, 591 (92.6%) were single-parent cases and 47 (7.4%) were two-parent cases at baseline. The DHS caseload, excluding child only cases, for March 2000, the mid point in our data collection period for first year follow-up, was 92.2 percent single-parent cases (13,363 out of 14, 492) and 7.8 percent two-parent cases (1,129). Thus, the sample distribution of single-parent and two-parent cases is representative of the DHS caseload at the time of data collection. In this first year follow-up sample, 116 FIP stayers (29.3 %) were employed and receiving supplemental FIP. This is a slightly higher percentage than the DHS caseload as a whole in March 2000 (25.3%). The average monthly FIP benefit per case for the sample of FIP stayers was $465.25. This is also fairly representative of the DHS caseload, which was $439.32 for regular FIP cases and $475.13 for two-parent cases.[4]

All study participants (100%) were receiving FIP at the time of their baseline interviews. This was a requirement for participation in the study. As can be seen in the chart below, at first year follow-up 397 respondents remained on FIP (62.3%), 220 respondents were no longer receiving FIP (34.5%) and 20 participants from baseline were no longer on FIP themselves but had children who remained on FIP (3.2% child only cases). The adult head of household was on Supplemental Security Income (SSI) in 85 percent of the child only cases (17 out of 20). The FIP status was not known on one case at first year follow-up.

Chart 1



[4] DHS data source: Rhode Island Department of Human Services, **DHS Data Reports, June 2001.** The study sample is approximately a four percent sampling of the DHS caseload during the study period.

Of the 220 respondents who were no longer receiving FIP (leavers), 48 were receiving food stamps (21.8%). An additional 35 leavers (16%) appear that they may be eligible but not currently receiving food stamps. Leavers receiving RIte Care medical assistance at first year follow-up numbered 111 (50.5%). Fifty-seven leavers (26%) were receiving a childcare subsidy.

Four hundred and six study participants (63.7%) from the baseline sample completed the first year follow-up telephone interview and had their electronic case records reviewed by a member of the study team. Thirty-five respondents (5.5%) chose not to participate in the telephone interview and asked to be dropped from the study; data from their case record reviews are included in this report for purposes of closure. Interviewers were unable to contact 196 study participants (30.8%) primarily due to incorrect addresses and telephone numbers or unanswered phone calls and letters. Their case record reviews are included in this report and attempts to locate them will again be made during the third year of the study.

Comparison of the sample of respondents who completed the first year follow-up interview and those who were not available for the interview. A comparison of key demographic variables shows that there were no significant differences at first year follow-up among the three groups of study participants (i.e. those on FIP [stayers], those off FIP [leavers] and child only cases) for gender, employment status at either baseline or follow-up, whether their time on welfare predated Rhode Island's implementation of welfare reform (5/1/97), whether they were a single-parent or two-parent household, and family size.

There were statistically significant differences among the sample of respondents who completed the first year follow-up interview and those who did not on four key variables, ethnicity ($p<0.000$), primary language spoken in the home ($p<0.000$), level of education ($p<0.009$) and whether respondents were stayers (participants who were on FIP at first year follow-up) or leavers (those participants who were no longer on FIP at the time of the first year follow-up) ($p<0.000$).

For ethnicity, proportionately more Whites (74.3%; 234 out of 315) and Blacks (62.1%; 87 out of 140) completed the first year follow-up interview than either Hispanics (45.8%; 60 out of 131) or Southeast Asians (36%; 9 out of 25). Paralleling these ethnic differences, differences were also found based on primary language spoken in the home with proportionately more English-speaking respondents having completed the follow-up interview (69.3%; 350 out of 505) in comparison to those who spoke Spanish (43.8%; 46 out of 105); one of the Southeast Asian languages (34.6%; 9 out of 26) or some other language (50%; 1 out of 2).

Respondents who completed the interview averaged higher levels of education at first year follow-up (mean = 11.38 years of schooling) in comparison to those respondents who could not be located (mean = 10.83). The average level of education was highest for those who chose not to participate in the study at first year follow-up (11.53 years of education). The data source for levels of education was from the respondents' case record reviews at first year follow-up.

As can be seen in the Table 1 below, 71 percent of stayers (282 out of 397) completed both the telephone survey and had electronic case record reviews completed. This was in contrast to 50.9 percent of leavers and 60 percent of the participants who were child only cases at first year follow-up.

Table 1

Relationship between family FIP status and study participation status

		Family FIP Status			
		Stayers	Leavers	Child only cases	Total
Study membership status at first-year follow-up	Completed survey & case record review	282 71.0%	112 50.9%	12 60.0%	406 63.7%
	Chose not to participate in study at first year follow-up	14 3.5%	19 8.6%	2 10.0%	35 5.5%
	Case record review only - Unable to locate participant to complete survey	101 25.4%	89 40.5%	6 30.0%	196 30.8%
Total		397 100.0%	220 100.0%	20 100.0%	637

Chi Square = 26.903, p<0.000
Note: Total equals 637 due to one case with unknown family FIP status

Economic well being outcomes

Two main hypotheses were tested to examine economic well being of current and former beneficiaries of FIP in Rhode Island. These are:

- **Hypothesis 1.** *Levels of income will be significantly higher at first year follow-up in comparison to baseline.*

- **Hypothesis 2.** *Levels of income at first year follow-up will be significantly higher among those respondents who have closed to FIP (leavers) in comparison to those respondents who remain on FIP (stayers).*

Hypothesis 1. Levels of income will be significantly higher at first year follow-up in comparison to baseline.

Total monthly household income. The average total monthly household income at baseline was $667.45 (median=$554.00). As can be seen in Table 2, the average monthly household income for all respondents was higher at first year follow-up (mean=$833.33, median=$714.00). This finding held true when the value of food stamps (for those in receipt of food stamps) was added to the total household income. These differences in average household income were statistically significant.[5]

Table 2

Total monthly household income: Comparison between baseline and first year follow-up

Total household income (excluding food stamps)

	N	Median	Mean	Std. Dev.
Baseline	**638**	**$554.00**	**$667.45**	**$288.68**
First year follow-up	**498**	**$714.00**	**$833.33**	**$403.30**

p<0.000

Total household income (including food stamps)

	N	Median	Mean	Std. Dev.
Baseline	**638**	**$821.00**	**$876.33**	**$303.76**
First year follow-up	**498**	**$945.00**	**$1014.82**	**$377.63**

p<0.000

In addition, those respondents who were employed at first year follow-up had statistically significant higher average monthly household incomes ($1091.81, median=$1011.40) than those who were not employed ($651.20, median=$$554.00). When the value of food stamps was added, the average total household income rose to $1186.47 and $899.48 respectively. See Table 3 on the following page.

[5] The 0.05 or better level of statistical significance is used throughout this report when reporting statistically significant differences.

Table 3
Total monthly household income: Comparison between respondents who were employed and those who were not employed at first year follow-up

Total household income at first year follow-up (excluding food stamps)

	N	Median	Mean	Std. Dev.
Employed	**198**	**$1011.40**	**$1091.81**	**$430.50**
Not employed	**281**	**$554.00**	**$651.20**	**$270.46**

p<0.000

Total household income at first year follow-up (including food stamps)

	N	Median	Mean	Std. Dev.
Employed	**198**	**$1139.50**	**$1186.47**	**$432.91**
Not employed	**281**	**$852.00**	**$899.48**	**$291.50**

p<0.000

Study participants who remained on FIP at first year follow-up (stayers) and who were not employed had the lowest average monthly household incomes ($647.81, median $554.00) excluding food stamps and $896.98 (median=$850.00) when food stamps are included. Those stayers who were employed and received supplemental FIP had average monthly incomes of $993.75 (median=$993.75) excluding food stamps and $1146.32 (median=$1145.26) when food stamps are included in the calculation (see Table 4 below).

Table 4

Total monthly household income: Comparison between stayers who were employed and those stayers who were not employed at first year follow-up

Total household income at first year follow-up (excluding food stamps)

	N	Median	Mean	Std. Dev.
Employed stayers	**116**	**$993.75**	**$993.75**	**$354.61**
Not employed stayers	**280**	**$554.00**	**$647.81**	**$264.88**

p<0.000

Total household income at first year follow-up (including food stamps)

	N	Median	Mean	Std. Dev.
Employed stayers	**116**	**$1146.26**	**$1146.32**	**$381.13**
Not employed stayers	**280**	**$850.00**	**$896.98**	**$288.97**

p<0.000

The "earned income disregard" is a formula used under FIP that allows working beneficiaries to keep their cash assistance up to the first $170.00 per month, plus one dollar of every two dollars earned until their household income surpasses FIP eligibility limits. At first year follow-up, more stayers (24.4%, 97 out of 397) received an earned income disregard than at baseline (17.4%, 69 out of 397) and the average amount of that monthly income disregard was significantly higher at follow-up ($427.19) than at baseline ($395.90) ($p<0.000$).

Number of respondents, based on family size, with household incomes above the Federal Poverty Level. As can be seen in Table 5 below, the number of respondents with household incomes above the Federal Poverty Level increased by 9.2 percent from baseline (4.9% above the 1998 FPL) to first year follow-up (14.1% above the 1999 FPL). When the first year follow-up stayers were looked at separately, 15 of them (3.8%) were above the Federal Poverty Level at baseline and 31 (7.8%) were above the Federal Poverty Level at first year follow-up (12.6%, n=50, when food stamp benefits are included in the calculation). For the first year follow-up leavers, 16 of them (7.3%) were above the Federal Poverty Level at baseline and 38 (46.3%) were above the Federal Poverty Level at first year follow-up (see Table 8 on page 11).

Table 5
Respondents above the Federal Poverty Level:
Comparison between baseline and First year follow-up

Baseline: Respondents above the1998 Federal Poverty Level

	Frequency	Percent
no	607	95.1
yes	31	4.9
Total	638	100.0

First year follow-up: Respondents above the 1999 Federal Poverty Level (excluding food stamp benefits)

	Frequency	Percent
No	428	85.9
Yes	70	14.1
Total	498	100.0

First year follow-up: Respondents above the Federal Poverty Level (including food stamps)

	Frequency	Percent
No	408	81.9
Yes	90	18.1
Total	498	100.0

Hypothesis 2. Levels of income at first year follow-up will be significantly higher among those respondents who have closed to FIP (leavers) in comparison to those respondents who remain on FIP (stayers).

Total monthly household income. Stayers had a slightly higher but not statistically significant average monthly household baseline income ($673.23, median=$572.00) in comparison to leavers ($659.95, median=$554.00). This finding was also true when the value of food stamps was included in the total monthly household income calculation. See Table 6 below. An Analysis of Variance with family size as a covariate added into the equation resulted in baseline total household income both with and without food stamps that continued to be higher for stayers than for leavers and the differences were statistically significant (p<000). This finding suggests that when family size is entered into the equation, stayers had higher baseline household incomes than leavers.

Table 6

Total monthly household baseline income:
Comparison between leavers and stayers

Total monthly household baseline income (excluding food stamps)

	N	Median	Mean	Std. Dev.
Leavers	**220**	**$554.00**	**$659.95**	**$278.85**
Stayers	**397**	**$572.00**	**$673.23**	**$292.01**

n.s.

Total monthly household baseline income (including food stamps)

	N	Median	Mean	Std. Dev.
Leavers	**220**	**$807.50**	**$851.51**	**$281.66**
Stayers	**397**	**$828.00**	**$892.94**	**$314.01**

n.s.

In contrast, leavers had statistically significant (p<0.000) higher average total monthly first year follow-up household incomes than stayers (both including and excluding the value of food stamps). The leavers group had an average total monthly household first year follow-up income of $1230.53 not including food stamps (median=$1075.00) and an average of $1243.26 when the value of food stamps is included (median=$1077.50) for those who were receiving food stamps (see Table 7). The stayers had an average total monthly household first year follow-up income of $749.14 not including food stamps (median=$634.00) and an average of $970.02 when

the value of food stamps is included (median=$901.00). It should be noted however, that the average total monthly income could only be calculated for the leavers who were employed. The study interview guide was not designed to collect the total household income of leavers who were not employed (n=12). If the total household income for these 12 respondents had been included, it might have had an impact on the average for the entire leavers group. It is also interesting to note that for stayers, food stamps benefits contributed an average of $220.88 per month to the total household first year follow-up income whereas for the leavers groups, the average contribution of food stamp benefits was $12.73 per month.

Table 7

Total monthly household first year follow-up income:
Comparison between leavers and stayers

Total monthly household first year follow-up income (excluding food stamps)

	N	Median	Mean	Std. Dev.
Leavers	**82**	**$1075.00**	**$1230.53**	**$488.84**
Stayers	**396**	**$634.00**	**$749.14**	**$333.19**

p<0.000

Total monthly household first year follow-up income (including food stamps)

	N	Median	Mean	Std. Dev.
Leavers	**82**	**$1077.50**	**$1243.26**	**$493.95**
Stayers	**396**	**$901.00**	**$970.02**	**$337.91**

p<0.000

Number of respondents, based on family size, with household incomes above the Federal Poverty Level. As stated earlier, stayers had a slightly higher average (as well as median) monthly household baseline income ($13.28 per month) than leavers. However, more leavers (7.3% of leavers, 16 out of 220) than stayers (3.8%, 15 out of 397) had average total household incomes that were above the Federal Poverty Level at baseline. This difference was statistically significant ($p<0.05$). There was no statistically significant difference between leavers and stayers on family size. The average family size was 3.79 members ($p>0.48$).

At first year follow-up the stayers group above the FPL increased from baseline by four percentage points to 7.8 percent of stayers who were above the poverty level. In contrast the leavers group above the FPL increased by 39 percentage points to 46.3 percent of leavers above the FPL at first year follow-up ($p<0.000$). Table 8 on the following page illustrates the statistically significant differences between leavers and

stayers in relationship to the Federal Poverty Level, based on family size, at first year follow-up. While the addition of food stamp benefits did not change the proportion of leavers at first year follow-up who were above the FPL (it remained at 46.3%), food stamps did increase the proportion of stayers who were above the FPL at first year follow-up from 7.8 percent to 12.6 percent. However, a statistically significant difference remained between leavers and stayers on this item with food stamp benefits included in the calculation ($p<0.000$).

Table 8

Retrospective look at status of leavers and stayers at baseline

Comparison between leavers and stayers at baseline in relationship to the Federal Poverty Level (FPL)

		Family FIP Status (excluding child only cases)		
		Stayers	Leavers	Total
Above the FPL	No	382	204	586
		96.2%	92.7%	95.0%
	Yes	15	16	31
		3.8%	7.3%	5.0%
Total		397	220	617
				100.0%
		100.0%	100.0%	100.0%

$p<0.005$

Comparison between leavers and stayers at first year follow-up in relationship to the Federal Poverty Level (FPL)

		Family FIP Status (excludes child only cases)		
		Stayers	Leavers	Total
Above the FPL	No	365	44	409
		92.2%	53.7%	85.6%
	Yes	31	38	69
		7.8%	46.3%	14.4%
Total		396	82	478
		100.0%	100.0%	100.0%

$p<0.000$

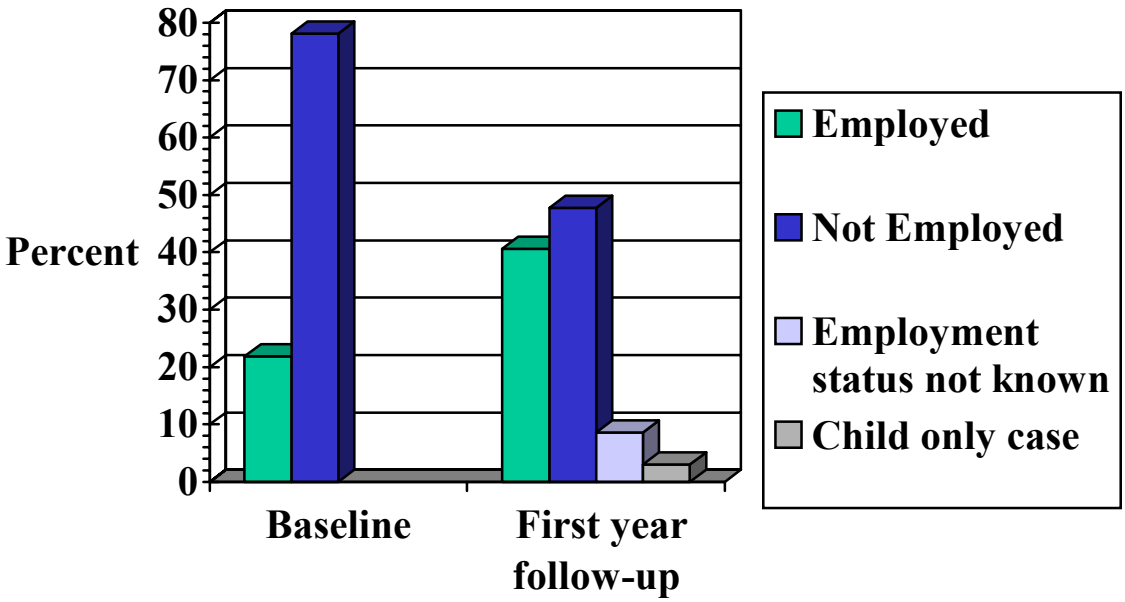
Employment Outcomes

- **Hypothesis 3.** *Levels of employment at first year follow-up will be significantly higher among those respondents who have closed to FIP (Leavers) in comparison to those who remain on FIP (stayers).*

Employment status at baseline in comparison to first year follow-up. One hundred and forty respondents were employed at baseline (21.9%). At first year follow-up the number of employed respondents had increased to 259 (40.6%) among all respondents. Unemployment at baseline was 78.1% (n=498) for the entire sample. As can be seen in Chart 2 below, the number of unemployed drops to 47.8% (n=305) at first year follow-up among all study participants.

Chart 2

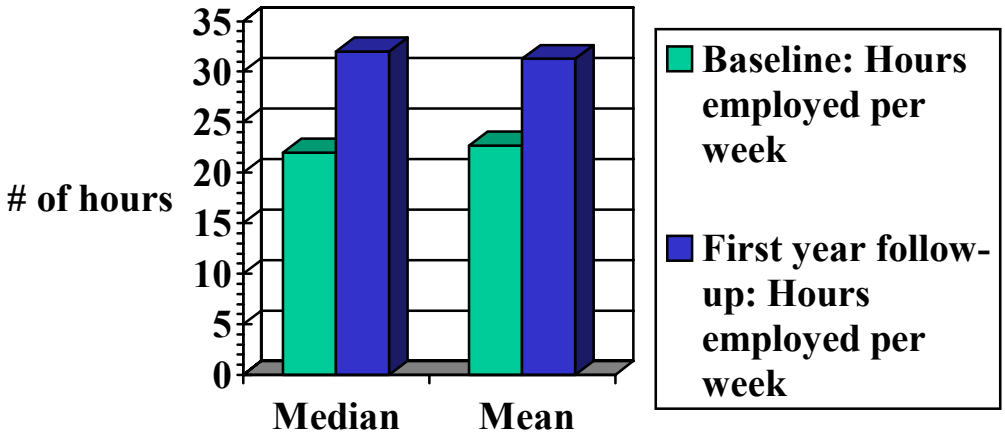
Employment status: Comparison between baseline and first year follow-up



Comparison between baseline and first year follow-up: Average number of hours per week in employment. As can be seen in Chart 3 below, the average number of hours in which all employed respondents worked was higher at first year follow-up (31.27) than at baseline (22.69). This difference was statistically significant ($p<0.000$).

Chart 3

Hours worked per week: Comparison between baseline and first year follow-up



p<0.000

Employment status: Comparison between leavers and stayers. As shown in Table 9 on the following page, 28.6 percent of leavers (study participants who were no longer receiving FIP at follow-up) were employed at baseline. This was also true for 18.9 percent of stayers (study participants who continued on FIP). The difference between these two groups is statistically significant ($p<0.004$). Both leavers and stayers had statistically significant increases in employment levels from baseline to first year follow-up ($p<0.000$ for both groups). For stayers, there was a 10.3 percent increase in the level of employment from baseline (18.9%, n=75) to first year follow-up (29.2%, n=116). In contrast, for leavers, the increase was 57.5 percent; 28.6 percent at baseline (n=63) and 86.1 percent at first year follow-up (n=142).

Table 9

Retrospective look at status of leavers and stayers at baseline

Employment Status at Baseline: Comparison between leavers and stayers

		Stayers	Leavers	Total
Employment status at baseline	Employed	75	63	138
		18.9%	28.6%	22.4%
	Not employed	322	157	479
		81.1%	71.4%	77.6%
Total		397	220	617
		100.0%	100.0%	100.0%

$p < 0.004$

Likewise, as Table 10 below illustrates, leavers were more likely to be employed (86.1%) in comparison to stayers (29.2%) at first year follow-up. The difference between these two groups is statistically significant ($p<0.000$). Also, stayers had increased their level of employment by 10.3 percentage points from baseline (18.9% employed) to first year follow-up (29.2% employed). However, leavers had increased their level of employment from baseline (28.6%) to first year follow-up (86.1%) by 57.5 percentage points.

Table 10

Employment Status at first year follow-up: Comparison between leavers and stayers

		Stayers	Leavers	Total
Employment status at first year follow-up	Employed	116	142	258
		29.2%	86.1%	45.9%
	Not employed	281	23	304
		70.8%	13.9%	54.1%
Total		397	165	562
		100.0%	100.0%	100.0%

$p<0.000$

Hourly wage and total household income: Comparison between employed leavers and stayers. At first year follow-up leavers who were employed earned a higher average hourly wage ($8.40, median=$8.00) than employed stayers ($7.01, median=$6.50). This difference was statistically significant ($p<0.000$). The average hourly wage for both groups combined was $7.74 (median=$7.25). See Table 11 on the following page.

Table 11
Hourly wage at first year follow-up: Comparison between leavers and stayers

	N	Median	Mean	Std. Dev.
Leavers	**81**	**$8.00**	**$8.40**	**$2.33**
Stayers	**74**	**$6.50**	**$7.01**	**$1.67**
Total	**155**	**$7.25**	**$7.74**	**2.15**

p<0.000

Employed leavers had the highest average monthly household income excluding food stamps of all groups ($1230.53, median=$1075.00). In contrast, employed stayers had an average (and median) monthly household income excluding food stamps of $993.75 (p<0.000). When the value of food stamp benefits is added for those who were receiving them at first year follow-up the difference between leavers and stayers on this item was no longer statistically significant (see Table 12). However, an analysis of variance with family size used as a covariate with total household income including food stamps indicated that when family size is entered into the equation, there is a statistically significant difference between employed leavers and employed stayers (p<0.03) with employed leavers having a higher total household income, including food stamps ($1239.64) than employed stayers ($1144.32).

Table 12
Total Household Income: Comparison between employed leavers and employed stayers at first year follow-up

Total household income at first year follow-up (excluding food stamps)

	N	Median	Mean	Std. Dev.
Employed leavers	**82**	**$1075.00**	**$1230.53**	**$488.84**
Employed stayers	**116**	**$993.75**	**$993.75**	**$354.61**
Total	**198**	**$1011.41**	**$1091.81**	**$430.50**

p<0.000

Total household income at first year follow-up (including food stamps)

	N	Median	Mean	Std. Dev.
Employed leavers	**82**	**$1077.50**	**$1243.26**	**$493.95**
Employed stayers	**116**	**$1145.26**	**$1146.32**	**$381.13**
Total	**198**	**$1139.50**	**$1186.47**	**$432.77**

n.s.

Average number of hours per week in employment: Comparison between leavers and stayers at first year follow-up. As can be seen in Table 13 below, leavers were employed an average of 35 hours per week (median=40). This was in contrast to stayers who were employed an average of 26.51 hours per week at first year follow-up (median=27). This difference was statistically significant ($p<0.000$).

Table 13

Average number of hours employed per week at first year follow-up: Comparison between leavers and stayers

	N	Median	Mean	Standard Deviation
Leavers	81	40	35	9
Stayers	76	27	26.51	10.18
Total	157	32	30.89	10.46

p<0.000

Education and Training Outcomes

- **Hypothesis 4.** *There will be a positive correlation between involvement in FIP sponsored education or training and level of post-education employment.*

Comparison between leavers and stayers and involvement in FIP training or education program. Table 14 on the following page indicates that at first year follow-up leavers were more likely to have participated in FIP approved training or education (40.5%; n=89) than stayers (27.7%; n=110). This difference was statistically significant ($p<0.000$).

Table 14

First year follow-up involvement in training or education: Comparison between leavers and stayers

		Family FIP Status (excluding child only cases)		
		Stayers	Leavers	Total
Involvement in training or education: status at first year follow-up	No education or training listed	195 49.1%	113 51.4%	308 49.9%
	Involved at time of first year follow-up	92 23.2%	18 8.2%	110 17.8%
	Participated at some time after 5/1/97	110 27.7%	89 40.5%	199 32.3%
Total		397 100.0%	220 100.0%	617 100.0%

p<0.000

Comparison between employment status and involvement in training or education. As indicated in the Table 15 on the following page, respondents who were employed were statistically significantly more likely to have participated in education or training (32%; n=65) than those who were not employed at first year follow-up (26.6%; n=81). Conversely, those who were not employed were statistically significantly more likely to be currently involved in education or training at the time of their first year follow-up (23.9%; n=73) than those who were employed (15.3%; n=31).

Table 15

Relationship between employment status at first year follow-up and involvement in training or education

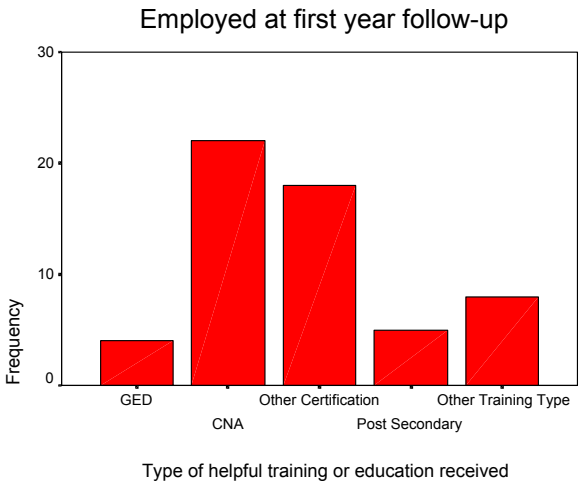
		Employed at first year follow-up (excluding child-only cases)		
		Employed	Not employed	Total
Involvement in training or education: status at first year follow-up	No education or training listed	107 52.7%	151 49.5%	258 50.8%
	Involved at time of first year follow-up	31 15.3%	73 23.9%	104 20.5%
	Participated at some time after 5/1/97	65 32.0%	81 26.6%	146 28.7%
Total		203 100.0%	305 100.0%	508

p<0.050

Types of training or education received that were helpful for job preparation. At first year follow-up, employed respondents were asked to name types of education or training that they received that were helpful to them in job preparation. As can be seen in Chart 4 below the types of helpful training that were mentioned in descending order were: Certified Nursing Assistant (n=22, 38.6%); other types of Certification programs (n=18, 31.6%); other types of training (n=8, 14%); Post secondary education (n=5, 8.8%); and General Education Diploma (n=4, 7%).

Chart 4

Types of training or education received that were helpful for job preparation



Comparison between involvement in training or education and hourly wage.

Employed respondents who stated that they received FIP sponsored education or training that was helpful for their job earned statistically significant higher hourly wages ($8.51/hr., median=$8.00 per hr.) in comparison to employed respondents who stated that either they did not receive FIP sponsored education or training or that the training received was not helpful for their job ($7.30/hr., median=$6.75) ($p<0.001$). A comparison was also made between hourly wage and the respondents' involvement in education or training after 5/1/97 (the start date of the FIP program) according to their DHS records. Again, there was a statistically significant correlation between hourly wage and involvement in FIP approved education or training with employed respondents who had completed participation in an approved education or training program earning $8.48 per hour (median=$8.00 per hr.); employed respondents who were simultaneously involved in training or education at the time of first year follow-up earning $7.25 per hour (median=$7.00 per hr.); and employed respondents who had no education or training activities post 5/1/97 listed in their case records earning $7.38 per hour (median=$6.70 per hr.) ($p<0.008$). The average number of hours worked per week for these same groups was compared and no statistical significance was found. All respondents were employed an average of 30.89 hours per week according to self reported data.

Table 16
Comparison between involvement in training or education and hourly wage

Hourly Wage

	N	Mean	Standard Deviation
Did not receive training/education or training/education was not helpful	**99**	**$7.30**	**$1.86**
Received training/education that was helpful for employment	**56**	**$8.51**	**$2.42**

p<0.001

	N	Mean	Standard Deviation
No education or training post 5/1/97 per case record	**79**	**$7.38**	**$2.17**
Involved in education or training at first year follow-up per case record	**23**	**$7.25**	**$1.67**
Completed participation in training or education post 5/1/97 per case record	**53**	**$8.48**	**$2.15**

p<0.008

Barriers to involvement in education, training and employment

- **Hypothesis 5.** *There will be a correlation between barriers to involvement in employment, training or education at baseline and actual involvement in employment, training or education at first year follow-up.*

Barriers to employment, training or education at baseline. Respondents who were **not employed** at the time of the baseline interview were asked an open-ended question about reasons that they were no longer at their most recent job. They could list more than one reason. Seven reasons were most frequently mentioned by 84.4 percent of the respondents (322 of 381) who were not employed at baseline. The single most frequent was pregnancy (n=76, 19.9%), followed by laid off, fired or quit (n=53,13.9%), child care issues (n=50,13.1%), seasonal, temporary or part-time employment (n=42,11%), injured, disabled or illness (n=40,10.5%), recently moved (n=35, 9.2%) and full-time mother (n=26,6.8%). When asked at baseline if these were current barriers to employment, 45.8 percent (n=179) responded "yes".

Relationship between reasons given for unemployment at baseline and involvement in employment, training or education at first year follow-up. No statistically significant association was found between barriers identified at baseline and actual involvement in employment, education and/or training at first year follow-up. In fact, as can be seen in Table 17 below, although not statistically significant, a proportionately higher percentage of employed respondents at first year follow-up listed barriers at baseline (51.7%, 75 out of 145) in comparison to respondents who were unemployed at first year follow-up (39.6%, 78 out of 197). In addition, there was no statistically significant relationship between involvement in education or training at or before first year follow-up (99 out of 198) and perceived barriers to employment at baseline. See Table 18 on the following page.

Table 17

Relationship between perceived barriers to employment at baseline and actual employment at first year follow-up

		Employment Status: 1st year follow-up		
		Employed	Not employed	Total
Baseline: Perceived barriers to employment	Yes	75	78	153
		51.7%	39.6%	44.7%
	No	68	115	183
		46.9%	58.4%	53.5%
	Don't Know	2	4	6
		1.4%	2.0%	1.8%
Total		145	197	342
		100.0%	100.0%	100.0%

n.s.

Table 18

Relationship between perceived barriers to employment at baseline and involvement in education or training at first year follow-up

		Involvement in training or education: status at first year follow-up			
		No training or education listed in record	Involved at time of first year follow-up	Participated at some time after 5/1/97	Total
Baseline: Perceived barriers to employment	Yes	99	27	53	179
		50.0%	37.0%	44.2%	45.8%
	No	96	44	66	206
		48.5%	60.3%	55.0%	52.7%
	Don't Know	3	2	1	6
		1.5%	2.7%	.8%	1.5%
Total		198	73	120	391
		100.0%	100.0%	100.0%	100.0%

n.s.

<u>Relationship between perceived health problems at baseline and involvement in employment, training or education at first year follow-up.</u> Respondents who were unemployed at baseline were also asked a separate question about current health problems. No statistically significant relationship was found between health problems reported at baseline and actual involvement in employment, training or education at first year follow-up. As can be seen in Table 19 below, the majority of unemployed respondents at first-year follow-up (65.3%, 145 out of 222) did **<u>not</u>** list health problems at baseline. This was also true of 69.7 percent (n=122 out of 175) of the employed respondents ($p>0.21$). Likewise, there was no statistically significant association between the report of health problems at baseline and involvement in education or training reported in the case record at first year follow-up (see Table 20 on the following page).

Table 19

Relationship between perceived health problems at baseline and employment status at first year follow-up

		Employment Status: 1st year follow-up		
		Employed	Not employed	Total
Baseline:Perceived health problems	Yes	53	77	130
		30.3%	34.7%	32.7%
	No	122	145	267
		69.7%	65.3%	67.3%
Total		175	222	397
		100.0%	100.0%	100.0%

n.s.

Table 20

Relationship between perceived health problems at baseline and involvement in training or education at first year follow-up

		Involvement in training or education: status at first year follow-up			
		No education or training listed	Involved at time of first year follow-up	Participated at some time after 5/1/97	Total
Baseline: Perceived health problems	Yes	80	22	47	149
		35.6%	27.2%	32.2%	33.0%
	No	145	59	99	303
		64.4%	72.8%	67.8%	67.0%
Total		225	81	146	452
		100.0%	100.0%	100.0%	100.0%

n.s.

Barriers to employment, training or education at first year follow-up. At first year follow-up, 189 respondents (46.6% of those interviewed) stated that they were not currently involved in employment, education or training activities. These 189 respondents were then asked to select from a list of potential barriers to participation the ones that applied to them. Of the stayers who reported that they had barriers to involvement in work, training or education, 18.9 percent of them (27 out of 113) had received an exemption from participation in work, training or education activities from their DHS worker. Seventy-nine percent of stayers (113) were listed in their case record as mandated to participate in work, training or education activities and 2.1 percent (3) were listed as refusing to participate in work, training or education activities. Fifteen out of the 27 exemptions were for care of a child under one year of age (55.6%), seven of the 27 exemptions were for illness or incapacity (25.9%), and five exemptions were for other valid reasons (18.5%).

Transportation Outcomes

- **Hypothesis 6.** *There will be a correlation between transportation problems and level of involvement in work, training or education at first year follow-up.*

Transportation as a barrier to participation in work, training or educational activities at first year follow-up. More than one-third of the respondents (38.1%, 72 of the 189) selected transportation as one of their barriers to participation in work, training or educational activities.

At first year follow-up 33.5 percent of employed respondents (60 out of 179) stated that they had missed work, training or educational activities in the last year an average of 6.48 days because of transportation problems.

As can be seen in Table 21 below, respondents who were receiving FIP at the time of the first year follow-up (stayers) were significantly more likely to have missed work, training or education in the past year because of transportation problems than leavers ($p<0.047$). Ninety-eight out of 276 stayers (35.5%) reported that in the past year they missed work, training or education an average of 8.17 days due to transportation problems. In comparison, 29 leavers out of 111 leavers (26.1%) had missed work, training or education an average of 4.05 days.

Table 21

Missed work, training or education due to transportation problems: Comparison between leavers and stayers at first year follow-up

		Transportation problems		
		Yes	No	Total
Family FIP Status (excluding child only cases)	stayers	98	178	276
		35.5%	64.5%	100.0%
	leavers	29	82	111
		26.1%	73.9%	100.0%
Total		127	260	387
		32.8%	67.2%	100.0%

p<0.047

Usual method of transportation to work, training or educational activities at first year follow-up. Respondents who were involved in work, training or educational activities at first year follow-up were asked how they usually got from home to their employment or training/education site. The majority of employed respondents (65.1%, 95 out of 146) drove a car and 17.8% (26 out of 146) took the bus. The remainder walked or biked (13), rode with others (7) or used some other means of transportation (5). Similar results were found when looking at respondents who were involved in education or training program at first year follow-up. The majority of these respondents (55.3 %, 47 out of 85) drove a car and 29.4% (25 out of 85) took the bus. The remainder walked or biked (6), rode with others (3) or used some other means of transportation (4). Employed respondents were less likely than unemployed respondents to use public transportation ($p<0.000$) or to have/use the free bus pass. This difference between employed and unemployed respondents on their use of public transportation was statistically significant ($p<0.000$).

Satisfaction with transportation arrangements at first year follow-up. Employed respondents at first year follow-up were more satisfied with their transportation arrangements than unemployed respondents. This difference was statistically significant ($p<0.000$). On a scale of "1" to "4" with "1 being "very satisfied" and "4" being "very dissatisfied" with transportation, employed respondents scored a 1.44 (n=168) and unemployed respondents scored a 1.65 (n=191). Thus, employed respondents were closer to being very satisfied with

their transportation arrangements and unemployed respondents were closer to being somewhat satisfied with their transportation arrangements. Similarly, study participants who were no longer receiving FIP at first year follow-up (leavers) were more satisfied with their transportation arrangements in contrast to stayers. This difference was also statistically significant ($p< 0.000$). Lastly, there was no statistically significant difference in responses between employed and unemployed respondents on an item that asked automobile owners about their car's reliability. On average, all automobile owners felt that their car was "somewhat reliable".

Housing Outcomes

- **Hypothesis 7.** *There will be a correlation between housing problems and level of involvement in work, training or education at first year follow-up.*

Housing problems as a barrier to participation in work, training or educational activities at first year follow-up. Most respondents (86.9%) rented an apartment or house at the time of their first year follow-up interview. There were eight respondents (2.1%) who owned their own home. The remainder of respondents lived in someone else's home (9.7%, n=37), lived in a shelter (2), transitional housing or residential treatment program (2) and other (1). There was no statistically significant difference between employed and unemployed respondents or between those involved in education/training on type of housing at first year follow-up. There was also no statistically significant difference between the groups on whether or not they lived in subsidized housing.

Respondents who were no longer receiving FIP (leavers) were less likely to be living in subsidized housing at the time of their first year follow-up interview. This difference was statistically significant ($p<0.016$). Of those who remained on FIP (stayers), 44.4 percent lived in subsidized housing (119 out of 268). In contrast, 31.8 percent of leavers at first year follow-up (34 out of 107) lived in subsidized housing (see Table 22 on the following page).

Table 22

Comparison between leavers and stayers: Living in subsidized or public housing at first year follow-up

		Family FIP Status (excluding child only cases)		
		Stayers	Leavers	Total
Living in public or subsidized housing at first year follow-up	Yes	119 44.4%	34 31.8%	153 40.8%
	No	149 55.6%	73 68.2%	222 59.2%
Total		268 100.0%	107 100.0%	375 100.0%

p < 0.016

The number of times a respondent had moved within the past year (mean = 1.42) was not statistically significant between employed and unemployed respondents or between those involved in education/training. The top reasons for moving included: rent too high (15.4%, 22 out of 143) and place too small (12.6%, 18 out of 143). Respondents were asked to list all the reasons for moving, therefore there are duplicate responses. Other responses included: eviction or pending eviction (11), neighbor problems (10), moved to a better place (9), moved from relative's home (9), family problems (9), moved in with relative or partner (8), moved into subsidized housing (7), disrepair problems (6), lead paint or other health hazards (6) and house was sold (5).

There was no statistically significant difference between employed and not employed respondents on whether they had gotten an eviction notice in the past year (17 employed respondents [31.5%] and 20 unemployed respondents [27.8%] said they had received eviction notices). In addition, how often they had gotten behind in their rent payments (mean = 2.54 times), or how often they had gotten behind on their utility bills (mean = 2.14 times) were also not statistically significant when employed respondents were compared to unemployed respondents. These findings were also true when participation in education and training was analyzed. Average monthly utility bills were $149.16 and there was no statistically significant difference between employed and unemployed respondents on either this item or on average monthly rent or mortgage (mean = $325.22 for both groups).

In contrast, respondents who were receiving FIP (stayers) were more likely to say that in the past 12 months they had always or sometimes gotten behind in rent or house payments (44.4%; 124 out of 279) in comparison to leavers (32.4%; 35 out of 108). This difference was statistically significant ($p<0.043$). They were also more likely to say that in the past year they were always behind in their utility bills (26%; n=56 out of 215) as compared to 8.2 percent of leavers (7 out of 85). Again, this difference was statistically significant ($p<0.001$). While there was no statistically significant difference between leavers and stayers on their average monthly utility bills (mean=$150.14 for both groups)

there was a statistically significant difference on average monthly rent with leavers paying an average of $91.91 higher for their rent or mortgage than stayers (p<0.000). Leavers paid an average of $391.33 per month rent or mortgage; stayers paid an average of $299.42.

There were statistically significant differences between employed and unemployed respondents as well as between those who were involved in education/training and those who were not involved in education/training on whether or not they had gone to a homeless shelter during the past year. One employed respondent out of 166 who answered this question (0.6%) had gone to a homeless shelter in the past year. In contrast eight unemployed respondents out of 188 (4.3%) had gone to a homeless shelter in the past year (p<0.029). See Table 23 below. Five participants who were involved in education/training at first year follow-up had gone to a homeless shelter in the past year; and four participants who had been in an education or training program at some time after 5/1/97 (the beginning of the FIP program) had gone to a homeless shelter in the past year. In contrast, no one who had not participated in an education or training program had gone to a homeless shelter in the past year. Likewise, respondents who were receiving FIP (stayers) were more likely to have gone to a homeless shelter in the past year (3.5%, 9 out of 259) than leavers. None of the leavers reported going to a homeless shelter in the past year. This was a statistically significant difference between stayers and leavers (p<0.048).

Table 23

Lived in Homeless Shelter: Comparison between employed and unemployed respondents at first year follow-up

		Employment Status: 1st year follow-up		
		Employed	Not employed	Total
Lived in a homeless shelter in the past year	Yes	1	8	9
		.6%	4.3%	2.5%
	N0	165	180	345
		99.4%	95.7%	97.5%
Total		166	188	354
		100.0%	100.0%	100.0%

p<0.029

As stated earlier, at first year follow-up, 189 respondents (46.6% of those interviewed) said that they were not currently involved in employment, education or training activities. These 189 respondents were then asked to select from a list of potential barriers to participation the ones that applied to them and 24 of the 189 respondents (12.7%) selected housing problems as one of their barriers to participation in work, training or educational activities.

Satisfaction with housing arrangements at first year follow-up. There was no statistically significant difference on any of the housing satisfaction questions when participation in education and training was analyzed. However, on three out of four satisfaction questions with regard to housing there was a statistically significant difference when employment status was examined. As can be seen in Table 24 below, employed respondents rated both their overall satisfaction with their living situation at first year follow-up higher than unemployed respondents ($p<0.01$) as well as their current living situation in comparison to last year ($p<0.01$); and they rated their satisfaction with property maintenance higher than unemployed respondents ($p<0.02$). There was no statistically significant difference on the neighborhood satisfaction question with both groups being somewhat to very satisfied with their neighborhood (mean = 1.81, $p>0.31$).

Table 24

Satisfaction with housing: Comparison between employed and unemployed respondents at first year follow-up

		N	Mean	Std. Deviation	p.
Current living situation in comparison to last year	Employed	176	1.68	0.65	0.011
	Unemployed	204	1.85	0.69	
			Key: 1 = Better 2= About the same 3= Worse		
Overall satisfaction with living situation	Employed	180	1.71	0.91	0.043
	Unemployed	206	1.91	0.99	
			Key: 1 =Very satisfied 2= Somewhat satisfied 3= Somewhat dissatisfied 4= Very dissatisfied		
Satisfaction with property maintenance	Employed	172	1.69	1.02	0.017
	Unemployed	184	1.96	1.10	
			Key: 1 =Very satisfied 2= Somewhat satisfied 3= Somewhat dissatisfied 4= Very dissatisfied		

Family and child well being outcomes

- **Hypothesis 8.** *Indicators of family and child well being at first year follow-up will be significantly higher among those respondents who have closed to FIP (leavers) in comparison to those respondents who remain on FIP (stayers).*

- **Hypothesis 9.** *Levels of satisfaction at first year follow-up will be significantly higher among those respondents who have closed to FIP (leavers) in comparison to those respondents who remain on FIP (stayers).*

Child well being indicators: The average number of adults per household for all respondents was 1.55 and the average number of children was 2.27. Leaver families had a significantly higher average number of adults in their households (mean = 1.75) than stayers (mean = 1.47) ($p<0.001$). There was no statistically significant difference between employed and unemployed respondents on average number of adults in the household ($p>0.120$).

Leaver families had a statistically significant smaller number of children per household (mean = 2.02) than stayers (mean = 2.36) ($p<0.020$). Similarly, employed respondents had a statistically significant smaller number of children per household (mean = 2.06) than unemployed respondents (mean = 2.45) ($p<0.004$).

Ninety percent of all respondents were either very satisfied (55%) or somewhat satisfied (35%) with their children's overall quality of life. Tables 25 and 26 on the following two pages examine a series of child well being indicators based on the respondents' knowledge and perceptions about their children's academic performance and their behavior in both school and home. Respondents were also asked to rate from "very satisfied" to "very dissatisfied" their level of satisfaction with their children's overall quality of life. As can be seen in Tables 25 and 26, there were no statistically significant differences on any of the academic or behavioral indicators when employment status (employed in comparison to unemployed respondents) and FIP status (stayers in comparison to leavers) were examined. However, there was a statistically significant difference for both groups when respondents' level of satisfaction with their children's overall quality of life was examined. Employed respondents on average were more satisfied with their children's overall quality of life than unemployed respondents ($p<0.003$) and leavers on average were more satisfied with their children's overall quality of life than stayers ($p<0.003$).

Table 25

Child well being indicators: Comparison between stayers and leavers at first year follow-up

		N	Mean	Std. Deviation
Preschool grades (n.s.)	Stayers	74	1.64	.73
	Leavers	28	1.61	.74
	Total	102	1.63	.73
Elementary school grades (n.s.)	Stayers	136	1.90	.90
	Leavers	53	1.83	.67
	Total	189	1.88	.84
Middle school grades (n.s.)	Stayers	72	1.99	.90
	Leavers	22	1.95	.90
	Total	94	1.98	.89
High school grades (n.s.)	Stayers	47	2.06	.96
	Leavers	16	2.13	.96
	Total	63	2.08	.96
Behavior at pre-school (n.s.)	Stayers	85	1.62	.77
	Leavers	32	1.63	.91
	Total	117	1.62	.81
Behavior in elementary school (n.s.)	Stayers	140	1.83	.83
	Leavers	55	1.76	.82
	Total	195	1.81	.82
Behavior in middle school (n.s.)	Stayers	72	2.03	.92
	Leavers	21	2.19	.93
	Total	93	2.06	.92
Behavior in high school (n.s.)	Stayers	45	1.98	.89
	Leavers	16	1.88	.96
	Total	61	1.95	.90
Behavior at home (n.s.)	Stayers	250	2.16	.75
	Leavers	96	2.07	.77
	Total	346	2.14	.75
Overall quality of children's lives ($p<0.005$)	Stayers	268	1.62	.70
	Leavers	102	1.39	.63
	Total	370	1.55	.69

Key for grades & behavioral indicators
1=excellent
2=good
3=fair
4=poor

Key for overall quality of life indicators
1=very satisfied
2=somewhat satisfied
3=somewhat dissatisfied
4=very dissatisfied

Table 26

Child well being indicators: Comparison between employed and unemployed respondents at first year follow-up

		N	Mean	Std. Deviation
Pre-school grades (n.s.)	Employed	54	1.56	.72
	Not employed	46	1.70	.76
	Total	100	1.62	.74
Elementary school grades (n.s.)	Employed	87	1.89	.81
	Not employed	97	1.86	.88
	Total	184	1.87	.85
Middle school grades (n.s.)	Employed	41	1.98	.94
	Not employed	52	2.00	.86
	Total	93	1.99	.89
High School grades (n.s.)	Employed	23	2.04	.98
	Not employed	39	2.10	.97
	Total	62	2.08	.96
Behavior at pre-school (n.s.)	Employed	64	1.59	.85
	Not employed	51	1.65	.77
	Total	115	1.62	.81
Behavior in elementary school (n.s.)	Employed	89	1.80	.79
	Not employed	100	1.84	.86
	Total	189	1.82	.82
Behavior in middle school (n.s.)	Employed	40	2.10	.96
	Not employed	52	2.06	.89
	Total	92	2.08	.92
Behavior in high school (n.s.)	Employed	24	1.88	.95
	Not employed	36	2.03	.88
	Total	60	1.97	.90
Behavior at home (n.s.)	Employed	162	2.10	.78
	Not employed	177	2.18	.73
	Total	339	2.14	.75
Overall quality of children's lives (p<0.003.)	Employed	167	1.44	.61
	Not employed	195	1.66	.75
	Total	362	1.56	.69

Key for grades & behavioral indicators
1=excellent
2=good
3=fair
4=poor

Key for overall quality of life indicators
1=very satisfied
2=somewhat satisfied
3=somewhat dissatisfied
4=very dissatisfied

Respondents were given a series of issues that might apply to their children and were asked to check all issues that applied to one or more of their children. If they checked that an issue was applicable to their child(ren) they were then asked if their child was currently receiving help with the issue. Ten categories of issues were listed. When leavers were examined in comparison to stayers, in three out of the 10 categories (mental health, school attendance and behavioral problems), there were statistically significant differences between leavers and stayers with the children of leavers having proportionately less problems than children of stayers on all ten items (see Table 27 below). As can be seen in Table 27 learning disabilities (27.9%, n=110) and behavioral problems (25.1%, n=99) were the most frequently cited issues for both stayers and leavers.

In terms of children receiving help with their problems or issues, a higher proportion of stayers' children were receiving help than leavers' children for mental health (92% for stayers compared to 67% for leavers) and short-term health (91% as compared to 79%). Leavers' children were receiving proportionately more help than stayers' children with chronic illness (100% for leavers compared to 89% for stayers); behavior problems (86% compared to 72%); and drug or alcohol problems (100% compared to 25%). In the other categories, leavers' children and stayers' children fared about equally with regard to getting help. Eighty-two percent of the children who were identified as having problems were receiving help with a learning disability (90 out of 110); 82 percent were receiving help with a criminal or juvenile justice issue (18 out of 22); 74 percent were receiving help with a developmental disability (32 out of 43); 68 percent were receiving help with school attendance issues (17 out of 25); and 65 percent were receiving academic help (41 out of 63).

Ninety-five percent of all respondents rated their children's health as better or about the same as last year. There was no statistically significant difference between leavers and stayers or between employed respondents and unemployed respondents on their rating of their children's current health status. However, employed respondents were less likely to report that their children had mental health problems (7.3%, 19 out of 259) than those who were not employed (12.5%, 38 out of 305). This difference was statistically significant ($p<0.03$).

Table 27

Children's issues at first year follow-up: Comparison between leavers and stayers

	Family FIP Status (excluding child only cases)		Total	p.
	Stayers	Leavers		
Issue	**N (%)**	**N (%)**	**N (% of sample)**	
Learning disability	82 (29.1%)	28 (25%)	110 (27.9%)	n.s.
Behavioral problems	78 (27.7%)	21 (18.8%)	99 (25.1%)	p< 0.042
Academic issues	42 (15.2%)	20 (17.9%)	63 (16%)	n.s.
Chronic illness	46 (16.3%)	14 (12.5%)	60 (15.2%)	n.s.
Mental health	48 (17%)	9 (8%)	57 (14.5%)	p<0.014
Short-term illness	42 (14.9%)	14 (12.5%)	56 (14.2%)	n.s.
Developmental disability issues	33 (11.7%)	10 (8.9%)	43 (10.9%)	n.s.
School attendance	22 (7.8%)	3 (2.7%)	25 (6.3%)	p<0.042
Criminal/juvenile issues	18 (6.4%)	4 (3.6%)	22 (5.6%)	n.s.
Drug/alcohol problems	4 (1.4%)	1 (0.9%)	5 (1.3%)	n.s.

Another child well being indicator that was examined was involvement in after school activities. Thirty-eight percent of all respondents said that their children were involved in after school activities. There was no statistically significant difference between leavers and stayers or between employed respondents and unemployed respondents on this item. Although not statistically significant, respondents who were on FIP at first year follow-up (stayers) had the highest proportion of their children involved in after-school activities (78 out of 185, 42.2%). In contrast, 24 leavers out of 75 had children involved in after-school activities (32%) ($p>0.083$). Fifty-two employed respondents out of 253 (41.3%) had children who were involved in after school activities and 48 unemployed respondents (37.8%) had children involved in after school activities ($p>0.331$). The two most popular after-school activities for all children in the sample were boys & girls clubs (selected by 27 out of 90 respondents) and sports or health fitness (25 respondents).

Respondents were also asked whether their work, training or education had affected their children positively, negatively or had no impact. One hundred thirty-four respondents out of 228 (58.8%) stated that their work, training or education has had a positive impact on their children. There was no statistically significant difference between leavers and stayers on this item ($p>0.471$). The most frequently mentioned affects of FIP on children were: mom going to school or work is positive (38.2%, 58 out of 152 comments); child is happier (29.6%, 45 out of 152); child is unhappy (13.8%, 21 out of 152); child is better behaved (7.9%, n=12) and child's behavior is worse (4.6%, n=7).

Child care issues. One hundred and forty-three respondents out of 389 (36.8%) used child care at the time of their first year follow-up case record review. Forty-nine out of 220 leavers were receiving subsidized child care (22.3%). An additional 15.9 percent of leavers (35 out of 220) who were not receiving subsidized child care benefits appeared that they might be eligible.

One hundred and twenty-nine respondents out of 139 (92.8%) stated that child care has positively affected their children. When asked to provide specifics, 30.3 percent (37) said that their children are learning more, 23.8 percent (29) said that their children are happy in child care and 19.7 percent (24) said that they liked that their children were able to play with other children in child care.

A number of analyses on child care issues were conducted to examine the experiences of leavers (respondents who were not receiving FIP at first year follow-up) in comparison to stayers. A statistically significant difference between leavers and stayers was found on the average number of days over the last year that respondents missed work, training or education due to the needs of their children ($p<0.02$). Leavers reported missing an average of 6.71 days of work, training or education during the last year (n=63) whereas stayers reported missing an average of 11.21 days (n=134).

Analyses on child care where no statistically significant differences were found between leavers and stayers included:

- Take child(ren) to child care on way to work, training or education. 50.2% of all respondents, 124 out of 247, stated that they always take their children to child care on their way to work, training or education.
- Satisfaction with child care. Mean for both groups = 1.32, between "very satisfied" and "somewhat satisfied".
- Affect of child care on children. 92.8% stated that child care has had a positive affect on their children.
- Times changed child care in the last year. Mean for both groups = 1.53 times.
- Ease of making child care arrangements (mean for both groups = 1.85, between "easy" and "somewhat easy".
- Needs taken into account when making child care arrangements (29.9% stated that their needs were taken into account (38 out of 127); 63% said that they made their own arrangements (80); and 7.1% felt that their needs were not considered (9).

Family well being indicators:

Perceptions about financial situation. There was no statistically significant difference between those who remained on FIP at first year follow-up (stayers) and those who were no longer receiving FIP (leavers) on their responses to this item at baseline. Both groups felt that their financial situation at baseline was about the same as compared to 12 months prior. However, their first year follow-up responses were significantly different ($p<0.000$). Stayers gave an average response of 2.08 on this item (suggesting that their financial situation at first year follow-up was about the same as last year). In contrast, leavers scored an average response of 1.48 on this item (suggesting that their financial situation at first year follow-up tended toward being better than last year).

Changes in finances during the past year. Respondents were given a list of 20 items that may have resulted in changes in their finances during the past year (both positive and negative). Table 28 on the following page contains those items where there were statistically significantly differences between leavers and stayers. Leavers were more likely to have gotten a new or changed job within the past year (58.9% of leavers in comparison to 28% of stayers, $p<0.000$); received higher wages within the past year (56.3% in comparison to 18.4%, $p<0.000$); gone off FIP within the past year (55.4% in comparison to 10.6%, $p<0.000$); gotten health insurance or RIte Care within the past year (54.5% in comparison to 40.4%, $p<0.008$); lost health insurance or RIte Care within the past year (53.6% in comparison to 46.4%, $p<0.003$); gotten an Earned Income Tax Credit this past year (44.6% in comparison to 20.9%, $p<0.000$); gotten subsidized child care this past year (28.6% in comparison to 18.1%, $p<0.017$); and married or joined with a partner (16.1% in comparison to 8.5%, $p<0.025$). Stayers were more likely than leavers to have gone back onto FIP during the past year (16% in comparison to 8.9%, $p<0.045$). Higher expenses were reported by 56 percent of all respondents (221 out of 394); a rent increase

was reported by 36.3 percent of respondents (143); separated from spouse or partner was reported by 17 percent of respondents (67); a wage decrease was reported by 15 percent of respondents (58); the addition of a child was reported by 14.5 percent of respondents (57); a rent decrease was reported by 12.4% of respondents (49); the loss of subsidized child care was reported by 6.3 percent of respondents (25); a decrease in expenses was reported by 5.6 percent of respondents (22); the loss of the FIP income disregard was reported by 5.1 percent of respondents (20); the loss of the Earned Income Tax Credit was reported by three percent of respondents (12); and the addition of the receipt within the last year of the FIP income disregard was reported by two percent of respondents (7).

Table 28

Changes in finances during the past year: Comparison between leavers and stayers at first year follow-up

	Family FIP Status (excluding child only cases)		Total	p.
	Stayers	Leavers		
Item	N (%)	N (%)	N (%)	
New or changed job	79 (28%)	66 (58.9%)	145(36.8%)	p<0.000
Higher wages	52 (18.4%)	63 (56.3%)	115(29.2%)	p<0.000
Went off FIP	30 (10.6%)	62 (55.4%)	92 (23.4%)	p<0.000
Got health insurance or RIte Care	114 (40.4%)	61 (54.5%)	175(44.4%)	P<0.008
Got the Earned Income Tax Credit	59 (20.9%)	50 (44.6%)	109(27.7%)	p<0.000
Got subsidized child care	51 (18.1%)	32 (28.6%)	83(21.1%)	p<0.017
Married or joined with partner	24 (8.5%)	18 (16.1%)	42(10.7%)	p<0.025
Lost health insurance or RIte Care	13 (4.6%)	15 (13.4%)	28 (7.1%)	p<0.003
Went on FIP	45 (16%)	10 (8.9%)	55 (14%)	p<0.045

Job satisfaction. There was no statistically significant difference between leavers and stayers on job satisfaction at first year follow-up (p>0.157). On a scale of 1 to 4 with "1" being "very satisfied" and "4" being "very dissatisfied" the average for both groups was 1.73 which would be closest to "somewhat satisfied" on the scale. There were also no statistically significant differences on the items "confidence in getting a job" (mean = 1.67 for both groups which would be closest to "somewhat confident"); and "confidence that the job will support my family" (mean = 2.08, "somewhat confident").

Access to health care. Thirty-one respondents (8.1%, 31 out of 384) stated that in the past year someone in their home needed medical care and had not been able to get it. There was no statistically significant difference on this item between leavers and stayers (p>0.247). FIP recipients are categorically entitled to RIte Care; leavers may be

income eligible for RIte Care. At the time of their first year follow-up case record review, 52.3 percent of leavers (115 out of 220) were receiving RIte Care benefits. Almost 30 percent (29.7 %) of employed leavers reported that they received health insurance from their employer. Twenty-eight leavers (12.7 %) who were not receiving RIte Care benefits appear that they might be eligible; four of those 28 (14.3%) reported receiving employer sponsored health care.

Food security issues. FIP recipients are categorically entitled to food stamps and leavers may be income eligible for food stamps. At the time of their first year follow-up case record review, 21.8 percent of leavers (48 out of 220) were receiving food stamp benefits. An additional 16 percent of leavers (35 out of 220) who were not receiving food stamps appear that they might be eligible.

At the time of the first year follow-up interview, participants reported that they were using the following three nutrition programs:

- Women, Infants and Children Program (WIC): 32.1% (130 out of 405)
- Free or reduced price school breakfast: 47.4% (192 out of 405)
- Free or reduced price school lunch: 64.7% (262 out of 405)

There was a statistically significant difference between those who remained on FIP at first year follow-up (stayers) and those who were no longer receiving FIP (leavers) on their utilization of all three nutrition programs. Stayers had a significantly higher utilization rate for WIC (35.1%, 99 out of 282) in comparison to leavers (24.3%, 27 out of 111) ($p<0.025$). For free or reduced price school breakfast the stayers utilization rate was 51.1 percent (144 out of 282) in comparison to leavers with a utilization rate of 36.9 percent (41 out of 219) ($p<0.008$). For free or reduced price school lunch the stayers also had a significantly higher utilization rate of 67.7% (191 out of 282) in comparison to leavers with a utilization rate of 56.8% (63 out of 111) ($p<0.027$).

A modified subset of five food security questions from the United States Department of Agriculture (USDA) were asked of all respondents at the time of their first year follow-up interview. On four out of the five questions, there was a statistically significant difference between leavers and stayers on their responses to the items. In all four instances, stayers were more food insecure that leavers ($p<0.03$). There was no statistically significant difference between stayers and leavers on the item "Did you ever feel that you could not afford to eat balanced meals?" ($p>0.102$). 250 out of 389 respondents (64.3%) stated that this was never the case. The four statistically significant items included:

- In the past year, have you ever worried about running out of food? Seventy-two out of 282 stayers (25.5%) stated that they were often worried (33% were sometimes worried, n=93) in comparison to 15.3% of leavers who were often worried (17 out of 111) and 30.6% of leavers who were sometimes worried about running out of food (34) ($p<0.037$).

- In the past year, did you ever run out of food and you did not have the money to get more? Thirty-eight out of 282 stayers (13.5%) stated that they often ran out of food and didn't have the money to get more (28.7%, n=81) of stayers responded "sometimes" to this item. In contrast, 5.6% of leavers (6 out of 108) responded with "often" on this item and 20.4 percent said "sometimes" (22 out of 108) ($p<0.008$).

- Which of the following statements best describes the food eaten in your household over the past 6 months?
    - *We have enough to eat, of the kinds of food we want*. 41.1% of stayers (113 out of 275) and 56.4% (62 out of 110) of leavers agreed with this statement.
    - *We have enough to eat but not the food we want.* 44.7% of stayers (123) and 37.3% (41) of leavers agreed with this statement.
    - *Sometimes we don't have enough to eat.* 11.6% of stayers (32) and 5.5% (6) of leavers agreed with this statement.
    - *Often we don't have enough to eat.* 2.5% of stayers (7) and 0.9% (1) of leavers agreed with this statement ($p<0.028$).

- If applicable, when you did not have enough money to buy food, what did you and your family do (check all that apply)?
    - *Went hungry.* There was no statistically significant difference between stayers and leavers on this item ($p>0.285$). A total of eight participants (2% of the sample of 394 participants) selected this option.
    - *Got meals or food at a shelter or food kitchen.* 22% of stayers (62 out of 282) selected this option. In contrast, 9.8% of leavers (11 out of 112) selected this option ($p<0.003$).
    - *Got meals or food from a church.* 19.9% of stayers (56 out of 282) and 11.6% of leavers (13 out of 112) selected this option ($p<0.033$).
    - *Got meals or food from friends or relatives.* 37.9% of stayers (107 out of 394) and 23.2% (26 out of 112) of leavers selected this option ($p<0.003$).
    - *Used other solutions.* There was no statistically significant difference between stayers and leavers on this item ($p>0.137$). A total of 24 participants (6.1% of the sample of 394 participants) selected this option.

DISCUSSION

One aspect of this section of the report is to discuss the results of this research study in the context of the findings from nationally recognized reports. It is hoped that by doing so, welfare reform in Rhode Island can be better understood. For example, by placing our findings within a national context we can begin to answer the question "compared to what" (Drennan, personal communication, 11/9/01). With the passage of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) and the devolution of federal welfare regulations giving states the power to craft their own welfare reform programs, there resulted a myriad of state welfare programs, making state-by-state comparisons of research findings almost impossible. The Urban Institute's New Federalism: National Survey of America's Families, 1999 survey data (Loprest, 2001; Moore, Hatcher, Vandivere & Brown, 2000; B Zedlewski & Alderson, 2001) is a large nationally representative sample that overrepresents low-income families. This survey provides opportunities for comparisons between Rhode Island and nationally collected data. The Initial synthesis report of the findings from ASPE's Leavers grants (Acs & Loprest, 2001) also allow for some comparisons between the Rhode Island findings in this report with findings synthesized from other states.

The results from this study compare favorably on several measures when Rhode Island is compared with data from both the Urban Institute survey and the synthesis report of the findings from the ASPE Leavers grants. Every effort was made to compare our findings with those of the national reports when appropriate. An attempt was also made to compare our findings to data from other New England states; however, program and research design issues among the states is so diverse that meaningful comparisons to any one state could not be made.

Comparison between baseline and first year follow-up: Some important differences.

1. Caseload reduction.

   - At baseline (2/98-2/00), 100 percent of the participants in the sample were receiving cash benefits. At first year follow-up (5/99-10/00), 62.3 percent were receiving cash assistance. Twenty cases were changed to child-only cases at first year follow-up (3.2%) and 220 FIP cases (34.5%) were closed. Thus, slightly more than one-third of the sample was no longer receiving FIP cash assistance at the time of their first year follow-up interview.

2. Economic well being.

   - Average monthly household income including food stamps for all respondents in the sample had increased from $876.33 at baseline to $1014.82 at first year follow-up. This represents an increase of $138.49 per month in average monthly household income for families in this sample.

   - There was an increase of 9.2 percentage points from baseline to first year follow-up in the number of study participants who were above the Federal Poverty Level (FPL). Ninety participants (18.1%) were above the Federal Poverty Level at first year follow-up.

3. Employment outcomes.

   - Levels of employment for participants in this study had increased by 18.7 percentage points from baseline (21.9%) to first year follow-up (40.6%).

   - The average number of hours per week in which employed respondents worked increased by an average of 8.58 hours from baseline (22.69 hrs.) to first year follow-up (31.27 hrs.). This increase in average number of hours employed per week is encouraging since employment is a key variable in increasing overall household income, exiting cash assistance, moving above the FPL and ultimately out of poverty.

4. Satisfaction indices.

   - Study participants reported feeling better at first year follow-up about their current financial situation as compared to the previous year. Study participants also reported feeling more satisfied with their child care at first year follow-up than they did at baseline. These differences in levels of satisfaction between baseline and first year follow-up were statistically significant ($p<0.004$). It should be noted that 92.8 percent of all respondents stated that child care had positively affected their children. When asked to provide specifics, 30.3 percent said that their children are learning more, 23.8 percent said that their children are happy in child care and 19.7 percent said that they liked that their children were able to play with other children in child care.

   - There was no statistically significant difference between baseline and first year follow-up on level of satisfaction with transportation with all respondents being somewhat satisfied with their transportation at both baseline and first year follow-up. There were also no statistically significant differences between baseline and first year follow-up on respondents' level of confidence that they would be able to get a job (if unemployed) or that their current job (if employed) or future job (if

unemployed) could support their family. Responses to these items were in the somewhat confident range at both baseline and first year follow-up.

Comparison between leavers and stayers: Some important differences

1. Economic well being.

   - Participants who were not on FIP at first year follow-up (leavers) were economically better off than those who were on FIP at first year follow-up (stayers). The leavers' monthly household income including food stamps at first year follow-up ($1243.26) was higher than that of stayers ($970.02)($p<0.000$). When stayers' and leavers' monthly household income at baseline were compared, the stayers had the higher average household income. This finding suggests that although leavers had a lower average household income than stayers at baseline, they experienced a substantial increase in their income by first year follow-up, resulting in a statistically higher first year follow-up household income when compared with stayers.

   - There was an increase of 39 percentage points in the number of leavers from baseline (7.3%) to first year follow-up (46.3%) who were above the FPL. The number of stayers above the FPL increased from 3.8 percent at baseline to 7.8 percent at first year follow-up. This represented an increase of four percentage points in the number of stayers who were above the FPL in contrast to the 39 percent increase for leavers.

     - Findings from the Urban Institute's National Survey of America's Families (April 2001) indicate that 39 percent of their 1999 sample of leavers had incomes above the poverty level. Thus, the finding of 46.3 percent of leavers being above the poverty level suggests that Rhode Island leavers are faring better than the Urban Institute's national sample.

2. Employment outcomes.

   - Both leavers and stayers had statistically significant increases in employment levels from baseline to first year follow-up ($p<0.000$ for both groups). For stayers, there was an increase of 10.3 percentage points in the level of employment from baseline (18.9%) to first year follow-up (29.2%). In contrast, for leavers, there was an increase of 57.5 percentage points from 28.6 percent at baseline to 86.1 percent at first year follow-up.

     - According to the Synthesis report of the findings from ASPE's "leavers" grants (January 2001) "slightly over half of all leavers work in any given post-exit quarter [and] about 70 percent of leavers worked in at least one quarter" (p. 11). In the Urban Institute's 1999 group of leavers, 64 percent were

working. The employment rate among Rhode Island leavers at first year follow-up (86.1%) is substantially higher than either of these findings.

- The Urban Institute's National Survey of American families for 1999 reported that 20 percent of TANF recipients combined welfare and work in 1999. The employment rate among Rhode Island stayers at first year follow-up (29.2%) is higher than this national average and suggests that the Rhode Island FIP program compares favorably with national employment trends for stayers.

- Employed leavers at first year follow-up earned a higher average hourly wage ($8.40, median=$8.00) than employed stayers ($7.01, median=$6.50) ($p<0.000$). The average hourly wage for both groups combined was $7.74 (median=$7.25). The average wage at job placement for Rhode Island FIP beneficiaries during this period of time was $7.43 per hour. Thus, employed leavers were earning $0.97 more per hour than this average wage at job placement while employed stayers were earning $0.42 less than the average wage at job placement.

  - According to the findings from ASPE's "leavers" grants, average wages ranged from $7.52 to $8.74 an hour. And, in the Urban Institute's 1999 group of leavers, in 1999 dollars median wages were $7.15 per hour. The hourly rate among Rhode Island leavers at first year follow-up (mean=$8.40; median=$8.00) is higher than the Urban Institute findings and about mid-range according to the findings from the ASPE funded studies.

- Employed leavers had the highest average monthly household income excluding food stamps ($1230.53, median=$1075.00). In contrast, employed stayers had an average (and median) monthly household income excluding food stamps of $993.75 ($p<0.000$). Stayers who were not employed had the lowest average household income ($647.81 excluding food stamps).

- Stayers were more likely than leavers to miss work, training or education due to transportation problems ($p<0.05$). Stayers missed on average twice as many days as leavers because of transportation problems (8.17 days in comparison to 4.05 days). Thirty-eight percent of all study participants who were not engaged in work, training or education at first year follow-up listed transportation as a barrier. Employed respondents were significantly less likely to use public transportation than unemployed respondents and were significantly more satisfied with their transportation arrangements.

- Leavers were more likely than stayers to have participated in FIP approved training or education ($p<0.000$) and employed respondents were also more likely to have participated in FIP approved training or education than unemployed respondents ($p<0.000$). Further, those who were not employed were more likely to be currently involved in education or training than those who were employed ($p<0.000$). These findings may suggest that education and training, as part of the respondents' FIP plan is directly correlated with employment; education and training seem to precede employment rather than the two events occurring simultaneously. This is not surprising since it is extremely difficult for low income single parents to juggle work, training and family responsibilities. In addition, it may also suggest that respondents become more employable after completion of programs aimed at upgrading their job skills which is the primary purpose of the vast majority of FIP approved education and training programs. The higher average hourly wage earned by participants who had completed education or training (about $8.50 per hr.) in comparison to those who had not (about $7.35 per hr.)($p<0.008$) seems to support this.

- No statistically significant associations were found between reasons given for unemployment at baseline and involvement in work, training or education at first year follow-up. One interpretation may be that many self-identified barriers to employment at baseline lasted less than one year and therefore were not barriers to employment twelve months later. This may certainly be the case for many of the top reasons for unemployment listed at baseline including pregnancy, loss of job, child care issues, and a recent move. For those who listed full-time motherhood as an employment issue at baseline, it may be that the barrier was related to the need to care for an infant or a child requiring help that needed a mother's attention during this past year. As pointed out in other studies, it may also be that the number of barriers at any given time plays a key role. Clearly, there is a need to look at the data about barriers to employment more closely in the second year follow-up research study.

3. <u>Child and family well being.</u>

- There were no statistically significant differences between stayers and leavers on any of the child well being indicators except one. When asked to rate the overall quality of their children's well-being leavers were more satisfied than stayers with their children's overall quality of life ($p<0.005$). All child well being indicators for both stayers and leavers suggested that respondents were between very satisfied to somewhat satisfied with their children's academic achievements as well as their children's behavior at home and in school. These findings were supported for elementary, middle and high school children. Average satisfaction scores on both academic and behavioral performance were slightly higher for younger children in contrast to older children.

- The Brookings Institution, reporting on the effects on children of 11 employment-based welfare and anti-poverty programs found that there appears to be a benefit associated with these programs for elementary school-aged children particularly their school achievement but that the results for adolescent children suggest that "welfare policies may be less positive for older children" (Morris & Duncan, 2001, p.1). They also suggest that "programs that offer the most generous earnings supplements appear to have more consistently positive impacts on children than programs without these supplements…[and] by comparison, programs with mandatory employment services or time limits had few effects across children's behavioral and health outcomes, and the effects that were found were sometimes positive and sometimes negative"(p. 3).

- The responses of the participants in this study seem to lend support to the Brookings Institution's report. The reported overall positive responses of parents about their children's academic performance and behavior at home and school suggests that Rhode Island's move under FIP toward a more generous earned income disregard than under AFDC may be paying off in terms of the children. In addition, like the Brookings report, we also see a slightly less positive report in behavior and academic performance of older children in comparison to younger children.

- There were statistically significant differences between stayers and leavers on three out of 11 potential issues that might apply to their children. The top two issues were behavioral problems and learning disability issues. Stayers were more likely to report child behavioral problems than leavers ($p<0.042$). Stayers also reported missing more days of work, training or education (11.21 days) due to the needs of their children in comparison to leavers (6.71 days)($p<0.02$).

- Leavers reported feeling better at first year follow-up about their current financial situation as compared to stayers ($p<0.000$). Leavers reported that their financial situation tended to be better than it was 12 months ago. In contrast, stayers reported that their financial situation tended to be about the same as it was 12 months ago.

- Leavers were less likely than stayers to be living in subsidized housing at the time of their first year follow-up interview ($p<0.016$). It may be that as families leave FIP they move out of subsidized housing, particularly public housing, because of increases in rent due to the change in their financial situation. Stayers were more likely than leavers to say that they always or sometimes got behind in their rent as well as their utility bills ($p<0.04$). Leavers paid an average of $92.00 more for their rent than stayers.

- The Urban Institute's National Survey of America's Families (April 2001) found that 46 percent of leavers had difficulty paying mortgage, rent or utility bills in the past year. In comparison, 32.5 percent of Rhode Island leavers stated that they always or sometimes got behind in the rent or mortgage payments and 64.7 percent said that they always or sometimes got behind in their utility bills.

- There was a statistically significant difference between leavers and stayers on their utilization of WIC, free or reduced price school breakfast, and free or reduced price school lunch ($p<0.000$).

- On four out of five of USDA food security questions, stayers reported higher levels of food insecurity than leavers ($p<0.04$).

Summary

Rhode Island's Family Independence Act has been recognized by the Tufts University Center on Hunger and Poverty as one of the best welfare reform laws in the country because of its potential to improve the economic well being of low-income families. In addition, in terms of job retention and increase in earnings for FIP beneficiaries, the Rhode Island Department of Human Services in 1999 won a United States Department of Health and Human Services "High Performance Bonus" of $2.5 million for their "top 10 ranking" in improvement in job entry and improvement in success in the workforce (RIDHS, 12/18/00).

On both economic well being and employment indicators participants in this study are doing better at first year follow-up than they were at baseline, and leavers at first year follow-up are doing better than stayers. Early findings on the family and child well being indicators suggest that on several key items, leavers are faring better than stayers. The finding that almost half of Rhode Island leavers (46.3%) are above the Federal Poverty Level is indeed encouraging. Rhode Island's income support policy which allows FIP beneficiaries to keep (disregard) a portion of their earnings before their cash assistance is reduced or eliminated, coupled with training and education opportunities, child care subsidies and RIte Care benefits for FIP beneficiaries and other low income families, clearly improve economic well being for both stayers and leavers.

Findings from this study suggest that Rhode Island leavers are faring better economically than leavers in other states, according to our comparison with findings from The Urban Institute's National survey of America's families (Loprest, 2001; Moore, Hatcher, Vandivere & Brown (2000); Zedlewski & Alderson, 2001) and Acs & Loprest's (2001) Initial synthesis report of the findings from ASPE's "Leavers grants. These findings, however, should not be interpreted to suggest that the average Rhode Island welfare leaver is still not faced with a heavy burden as they try to provide basic

needs for their family. Slightly more than half of all leavers (50.5%) are receiving RIte Care medical assistance; close to 22 percent are receiving food stamps with an additional 16 percent who appear that they might currently be eligible for food stamps; and 26 percent are receiving a child care subsidy. Twenty-four percent of leavers are utilizing the Women, Infants and Children (WIC) program; 37 percent have children who are getting free or reduced priced school breakfast and over half (56.8%) have children who are receiving a free or reduced priced lunch. These income support programs are necessary to keep leavers moving in a positive direction out of poverty and toward economic well being.

Rhode Island has been criticized in the media for its slow pace in moving beneficiaries off FIP (see, for example, Sabar, 3/26/01). However, it is encouraging to note that one-third of the participants in this study were off FIP one year after participation in their baseline interview. This study of Rhode Island's FIP program also found it encouraging that 86 percent of leavers were employed and 29 percent of stayers were employed at first year follow-up.

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APPENDIX A

Glossary

- **AFDC:** Aid to Families with Dependent Children, the federal "welfare" program that was phased out by federal welfare reform and replaced by TANF (Temporary Assistance for Needy Families) in 1996.

- **Child Care**: Funded through both state and federal dollars, the Rhode Island Child Care Subsidy program supports low income working parents through subsidizing the cost of child care for families whose income is below 225% of the Federal Poverty Level (FPL). If the family is still on FIP, the program may provide 100% support for parents in training, education and/or employment.

- **Child-Only Cases:** Cases without an adult in the FIP payment (e.g., parent(s) receive SSI).

- **DHS: (Rhode Island) Department of Human Services:** The state department responsible for implementing welfare in Rhode Island.

- **Earned Income Disregard:** A formula applied under FIP, which allows employed beneficiaries to keep their cash assistance up to the first $170 per month, plus $1 of every $2 earned until their household income surpasses FIP eligibility limits.

- **Earned Income Tax Credit (EITC):** A federal tax credit or cash refund to employed workers whose incomes fall below certain guidelines (varies by family size). EITC is not an automatic adjustment; employee must apply on his/her federal tax return.

- **FIA:** Family Independence Act, Rhode Island's legislation that created the state's version of welfare reform, passed and signed in 1996.

- **FIP:** Family Independence Program, Rhode Island's welfare reform program under TANF, created by FIA. Implementation began on May 1, 1997.

- **Food Stamps:** Nutrition assistance program for needy individuals and families that provides monthly food benefits utilizing an electronic benefit transfer (EBT) card.

- **FPL:** Federal Poverty Level first calculated in the 1960s, based on the cost of a hypothetical nutritional and cost-efficient food basket at that time, multiplied by three (because food was thought to account for one-third of families' expenses) and adjusted annually for inflation and family size.

- **Leavers:** For purposes of this research, leavers are defined as respondents who were closed to FIP at the time of their 1st year follow-up interview. This definition includes participants who may have cycled on and off FIP during the year following the baseline data collection but who were not receiving FIP benefits at the point in time that they were interviewed for 1st year follow-up.

- **PRWORA**: Personal Responsibility and Work Opportunity Reconciliation Act, passed by the U.S. Congress and signed by President Clinton in 1996, replacing AFDC with TANF. TANF is Title I of PRWORA.

- **RIC:** Rhode Island College. The School of Social Work at RIC is conducting an evaluation of FIP (Family Independence Program) for DHS (Department of Human Services) by tracking a sample of FIP participants for five years.

- **RIPTA**: Rhode Island Public Transportation Authority. RIPTA through contract with DHS, provides bus passes to FIP families at no cost. RIPTA and DHS provide a new flexible van service for FIP working parents who otherwise would not have any means of transportation to and from their job sites and child care providers.

- **RIte Care**: Rhode Island's medical assistance program for low income children, parents and pregnant women.

- **SSI, SSDI:** Monthly federal cash benefits for individuals with disabilities, under the age of 65. SSI has an income eligibility requirement. SSDI is available to people (and their dependents/survivors) who have established eligibility under Social Security.

- **Stayers:** Study participants who were open to FIP at the time of their 1st year follow-up interview. This definition includes participants who may have cycled off and back on to FIP during the year following baseline but who were FIP beneficiaries at the point in time that they were interviewed for 1st year follow-up.

- **TANF:** Temporary Assistance for Needy Families, the federal program that replaced AFDC. TANF is time-limited, work-focused and varies substantially from state to state.

- **WIC:** Women, Infants and Children, a food voucher program that provides eligible families and pregnant women with $45 per month which must be used for approved nutritional products.

APPENDIX B

Interview Guide: Follow-up #1

APPENDIX C

Case Record Review: Follow-up #1